LUKE BRUGNARA

Sch 3

DEPRECIATION CALCULATIONS

Property	Purchase Date	Basis	Depreciable Basis (70%)	Sale Date	Recovery Period	Depreciation					
						1998	1999	2000	2001	2002	2003
171 2nd Street, San Francisco, CA	06/15/93	$502,345	$351,642	12/23/99	39	$9,016	$8,641				
810-814 Mission St., San Francisco, CA	12/07/93	$2,831,742	$1,982,219	01/05/00	39	$50,826	$50,826	$2,118			
935-939 Market St., San Francisco, CA	05/07/93	$2,119,186	$1,483,430	01/20/00	31.5	$47,093	$47,093	$1,962			
490 Post St., San Francisco, CA	01/27/98	$23,852,250	$16,696,575	05/16/01	39	$410,279	$428,117	$428,117	$160,544		
3025 S. Las Vegas Blvd., Las Vegas (Lot 1)	10/20/99	$18,669,093	$13,068,365	05/01/02	39		$69,810	$335,086	$335,086	$125,657	
3025 S. Las Vegas Blvd., Las Vegas (Lot 2&3)	10/20/99	$12,840,622	$8,988,435	na	39		$48,015	$230,473	$230,473	$230,473	$230,473
201 Sansome St., San Francisco, CA	01/10/97	$6,014,230	$4,310,198	na	39	$110,518	$110,518	$110,518	$110,518	$110,518	$110,518
351 California St., San Francisco, CA	07/17/97	$18,463,372	$12,924,360	na	39	$331,394	$331,394	$331,394	$331,394	$331,394	$331,394
Total Depreciation						**$959,126**	**$1,094,414**	**$1,439,668**	**$1,168,015**	**$798,042**	**$672,384**
Depreciation per Returns						$1,112,551	$1,205,589	$1,670,779	$1,427,847	$1,012,000	$670,000
Difference						($153,425)	($111,175)	($231,111)	($259,832)	($213,958)	$2,384

Notes:

No depreciation was allowed for the following properties, since they were not used in a trade or business: 36 San Jacinto Way, 38 San Jacinto Way, 224 Sea Cliff Ave., 4850 Redwood Retreat.

The mid-month convention was used to calculate depreciation in the year of acquisition and disposition.

Basis in 201 Sansome and 351 California based on Kraashaur's calculation from audit of 1997 return.

70% of total cost was allocated to depreciable basis except for 201 Sansome St., where the prior agent determined a slightly higher depreciable basis.

C. Tonna 2/12/2010